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SUBJECT: UNHCR Moves to Zone Defense in Afghanistan But Donors Have

Other Plans

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11. (SBU) Summary. UNHCR is urging donors to concentrate their refugee assistance projects in distinct geographic zones. Their proposal would have major donors working around ongoing efforts of the Japanese in the east, the Germans in the north, and the Italians in the west. Major donors who are already focusing on these regions in response to need prefer a programmatic rather than geographic approach. Post is closely tracking donor funding and encouraging enhanced coordination to avoid duplication or funding gaps in program and geographic areas.

$\mbox{U.S.}$ and \mbox{EC} Would Get The Leftovers

12. (SBU) UNHCR used a January meeting to raise the idea of assigning donors to geographic zones. Major donors (U.S., European Commission Humanitarian Organization (ECHO) and European Commission (EC)) recognized that this would leave them responsible for the South where security challenges are most severe and where needs are not necessarily the greatest. We asked for further time to consider the proposal and, in a follow-up meeting, preliminarily decided to maintain a programmatic approach in Afghanistan rather than a regional or geographic approach. While all donors may put significant funds into the east, west, and north, where the majority of refugees are likely to return, none wanted to agree to be responsible for an area where monitoring and evaluation are difficult, or to be discouraged from working in zones covered by other donors.

German and Italian Funding: Limited and Not Strictly Geographically-Focused

13. (SBU) UNHCR's geographic zone approach makes sense in that it would, in principle, use resources from other sources to complement existing German and Italian programs in the zones defined by their PRTs. But German and Italian funding is sparse, and even they do not confine their assistance to areas around their PRTs. The Germans, who run PRTs in northern Kunduz and Badakshan provinces, have only 2 million euros for 2008 refugee assistance, one million of which they have already decided to use to connect a village in western Afghanistan on the outskirts of Herat (where German

development agency GTZ built a water system last year) to Herat's city water system. Furthermore, the Italian-run PRT in Herat does not even currently conduct medical assistance missions in their areas. A major increase in Italian refugee assistance funding is unlikely.

European Community Funding: Nangarhar Is The Big Winner

- 14. (SBU) Both ECHO and the EC focus on the eastern province of Nangarhar. The EC will spend a total of 13.5 million euros on refugee issues, funding UN Habitat (5 million euros) to build shelter in the Sheik Misri Land Allocation Scheme (LAS) program near Jalalabad. (The EC put no money into the LAS program in 2007, so their funding may reflect growing confidence in the program's future.) The EC will also give 6.5 million euros to UNHCR, 1.5 million euros to the Norwegian Refugee Council and 800,000 euros to HELP, a German NGO. The EC will also fund projects in Districts 6 and 7 of Kabul City, and will add District 13 and 5 (specific funding figures are unavailable). Embassy urged the EC representative to stay in close touch with USAID's Office of Foreign Disaster Assistance, which is planning a Kabul urban shelter project.
- 15. (SBU) ECHO will give 7 million euros to UNHCR and 8.5 million euros directly to NGOs for shelter and water/sanitation projects (ECHO cannot fund schools or clinics). ECHO will focus shelter construction in Nangarhar, Paktia, and Herat (Faryan and Shindan districts), as well as a planned LAS site in Farah. While all donors face shrinking budgets for Afghanistan, ECHO is plussing up its funding, particularly for humanitarian and disaster relief activities.

The Japanese Give Big Money Behind The Scenes

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- 16. (SBU) Japan is providing \$36 million (from a one-time Japanese Diet contribution) to UN organizations for refugee assistance in 12008. Programs will include: 1) \$10 million to UNHCR to support the repatriation cash grant, 2,000 shelters (location tbd), and information sharing projects for Afghans considering repatriation; 2) \$12 million to UN Habitat for programs in Nangarhar, Laghman, and Kunar (all in the east) to create Community Development Councils and fund their block grants; 3) \$9 million to the International Organization for Migration (IOM) to fund vocational training and shelters for Afghan deportees from Iran in Herat and Faryab provinces (in the west and northwest); and 4) \$5 million to the World Food Program (WFP) for vocational training and food-for-work programs in Herat and Faryab.
- 17. (SBU) Due to security concerns, Japan funnels all funds through the UN organizations, leaving most of the monitoring and evaluation to them. Japan also has a Grassroots Assistance Grant Program (GAGP) "to meet local needs promptly." GAGP funds 50-70 projects countrywide for roughly \$90,000 each. Projects focus on local infrastructure support, not specifically refugees, and target school construction, irrigation systems, vocational training, demining, roads/bridges, etc. Japan also allocates less than \$1 million to Japanese NGOs for a few small projects. Due to Afghanistan's security situation, the Japanese Embassy advises Japanese NGOs not to work directly in-country.

USG Should Focus Assistance on Programmatic Approach, Not Geographic Zones

¶8. (SBU) Post continues to press UNHCR to take a national programmatic approach rather than be locked into a geographic, formula-driven approach for the distribution of PRM's direct NGO funding (\$9-10 million). We are also pushing for enhanced donor coordination to ensure that donors and dollars do not all get channelled to certain provinces like Nangarhar to the exclusion of others, or fund only shelter programs without the accompanying social services. Focusing on "pull factor" projects -- schools,

clinics, livelihood development, and targeted shelter programs -- is imperative this year as large numbers of Afghans are expected to return home after decades in Pakistan and Iran.

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